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## Contractual governance in agro-industry institutions in Tanzania

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# **Chapter 4**

## **Methodology**

### **4.1 Introduction**

This chapter describes the methodology chosen for this thesis. It investigates the steps taken to answer the research questions by describing the use of the methods from the inception of the Ph.D. research project to the conclusion of the study. Section 4.1 introduces the approach, including research questions and the choice of a qualitative case study approach. Section 4.2 discusses the development of a theoretical model. Section 4.3 gives additional specific details about the research design. Section 4.4 discusses the main limitations of the methodology. Section 4.5 provides a summary.

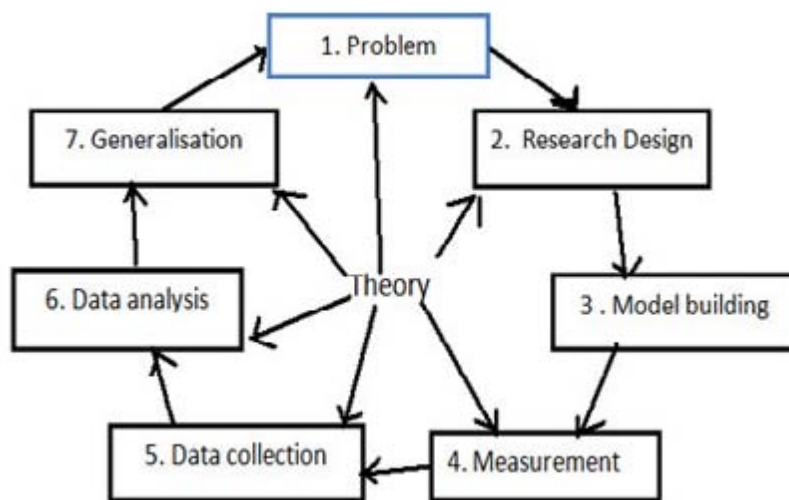
### **4.2 Approach**

Figure 11 illustrates the process that was followed to carry out this doctoral research project, starting from the conception of the problem as discussed in chapter 1. Following the research cycle developed by Nachmias & Nachmias (1996: 20), seven consecutive steps have been taken in this study. The research process started with the stating of the research problems followed by the research design (Nachmias & Nachmias, 1996).

The third step was (conceptual) model building. The fourth stage was to develop the measurement of the variables (among others via an interview guide), which was used in the fifth stage of the data collection. The sixth stage was the data analysis, followed by the seventh stage of the generalisation of the findings from the four case studies (Yin, 2003).

The four cases in this study are MSEL (sugarcane), KSCL (sugarcane), AOTL (tobacco), and TATEPA (tea).

*Figure 11 stages of the research process*



Source: Modified from Nachmias & Nachmias (1996: 20).

In the centre of figure 11 the property rights, agency, and transaction cost theories are represented by the word “theory” which guided this research study. Each of these steps will be discussed in more detail in the sections below.

### **4.3 Developing the research problem**

The research project is part of a larger project involving both the University of Groningen, faculty of law, and the Mzumbe University in Tanzania. This cooperation is within a program aimed to strengthen the research capacity of Mzumbe University and to enhance decentralisation and governance in Tanzania. One of the problems in Tanzania concerns poverty of its people and many of the governmental policies are aimed at relieving this poverty. This specific research project within the program was to take the policy on devolution and decentralisation of the Tanzanian central government as the object of study and find out whether such a policy helps in relieving the social problems of poverty of low income and of the problem of mindset or attitude. The research proposal was sent to the University of Groningen via the academic supervisor of the cooperation program, prof. dr. J. de Ridder. The proposal was accepted and the research at the University of Groningen started in 2006. Between the 1<sup>st</sup> of October 2006 and the

30<sup>th</sup> of September 2007, the research problem was refined by means of additional literature review on property rights, agency and transaction cost theories. This yielded the research problem discussed in chapter 1. In this stage, the foundations for the theoretical framework were developed and the empirical part of the research was designed. In order to limit the size of the study, it was decided to seek out the relevant practical issues concerning governance and decentralisation in Tanzania within the agro-industry firms operating in the grassroots communities.

### **Formulating the research questions**

As the research project developed its economic institutional framework, based upon property rights, agency theory and transaction cost theory, together with an empirical focus upon agro-industry issues, the focal point of the research is undoubtedly economic efficiency within an institutional setting, also called new institutional economics (see Eggertsson, 1990). The research questions are formulated from this setting. Chapter 1 introduces these questions while chapter 2 introduces the most important institutional developments in Tanzania that serve as necessary background to any interpretation of the research findings. Chapter 3 describes the specific theories of institutional economics (Eggertsson, 1990; North, 1990) used in this study. In studying actual agro-industry institutions, the cases in this study reveal how important it is to have such a framework. The research questions addressed are:

1. What are the contractual relationships between factory owners (FOs) and smallholder farmers (SHFs)?
2. What governance problems are encountered, affecting the contractual relationships?
3. Why do these governance problems arise?
4. What lessons can be drawn in order to improve the efficiency of the agro-industry institutions of Tanzania?

The research strategy used to answer these four research questions is qualitative in nature, involving case study design and theoretical modelling.

## **4.4 The specific research design of this study**

The research design is the overall systematic organisation of the research process, which includes the study goals, objectives, questions,

procedures to obtain data, analyse these, and generalise results. The research design of this study had the following procedures and activities.

### **Preliminary activities and pilot study**

The first preliminary activity was to conduct an extensive literature review to develop the theoretical framework explained in chapter 3 of this study. Among others, the seminal work of Coase (1937, 1961), Jensen & Meckling (1976) and Williamson (1985, 1993, 2003) was studied intensively. In addition, research on property rights (Cooter & Schäfer, 2007) in developing countries was studied. The second step was to develop the framework further in order to explain the contractual relationship between FOs-SHFs. A third step was the preliminary interviews with experts who had some experience concerning contracting in the agro-industry of Tanzania (Ashimogo, 2005) and in the field of institutional studies (Nkya, 2007) of Tanzania.

As part of the process in designing the study, the researcher conducted three in-depth interviews and two focus group discussions (FGDs). The in-depth interviews started with one at the Sokoine University of Agriculture (SUA), one at the Mzumbe University and one with officials of Mtibwa Sugar Estate Limited (MSEL) to test the interview guide. The experts were representative of key participants who could give their perceptions on the property rights assignments in the agro-industry. The MSEL officials were directly involved in the use of property rights. The preliminary interview had purposes such as:

- Gaining a preliminary background on the assignment of property rights, contract, and transaction costs in the value chain.
- Investigating whether the research topic was warranted.
- Setting the scope for the research study.

These interviews deepened the researcher's preliminary understanding of some of the concerns and issues related to assessing the efficiency of the agro-industry in Tanzania. The in-depth interviews and the FGDs at SUA and MU consisted of individual experts (12 at SUA and 10 at MU). The same interviewees were also asked to participate in the FGDs. The same applied to the MSEL pilot study. Ten (10) experts were involved and 15 smallholder farmers who were members of the PCS (Mtibwa Out-growers Association, MOA) were involved in the pilot case study of MSEL. The pilot case study of MSEL, also being the first case study to be written, was extensively discussed, corrected, discussed again, and corrected. After that, it was used as the format for

the other three cases. As Yin (2003: 80) insists, “the pilot case report is mainly of value to the investigators,” the pilot study needed to be well written in order to become the format reference of the others. More time was thus spent on writing and re-writing the MSEL case, than any of the others.

### **Development of the framework and conceptual model**

The theoretical framework guided the research as it was based on the literature review and the knowledge gained from previous research (Kamuzora, 2005, 2009). The developed conceptual framework was constantly used and tested in the process of conducting this case research. In that sense, the framework was enhanced by the findings and vice versa: the data and interpretation of phenomena was enhanced because of the theoretical framework. Ultimately, this constant juxtaposing of theory and data generated the Farmer Behavioural Model, which aims at explaining the behaviour of the SHFs in the contractual relationships found in the agro-industry institutions.

### **Measurement of variables**

The theoretical framework was instrumental in specifying the measurement of the variables. The framework details the variables that need to be taken into account. Chapter 3 discusses the problems that might come up in contractual relations and the use of certain governance instruments to mitigate these problems. These problems and instruments can be observed based on researching documents, especially contracts and property rights, and informal agreements via (among others) interviews with participants. Once problems, included in the framework or not, are identified further probing via either interviews or group discussions as to why these problems have come up yield additional information on the same variables, but also reflect on the underlying assumptions of the framework. The observation and subsequent measurement of the variables is guided with an interview guide, prepared before the data collection. It contains subjects that are based on the specific contractual relation. The guide helps the researcher in posing questions during an interview and keeps open the opportunity for interaction between researcher and participants (Ritchie & Lewis, 2006). The content analysis measurement strategy in qualitative research increases participation and the possibilities of emerging variables during the data collection as it offers the chance to the participants to contribute their ideas (Ritchie & Lewis, 2006: 200-202). The interview guide is taken up in Appendix 1. The guide

includes property rights (the company profile), service provision (local government relationship), contractual relationship, modes operandi (the value chain) and efficiency criteria.

### **Choosing a qualitative approach**

Employment of qualitative (interpretive) research methods was desirable over quantitative (positivism) methods because of the nature of the problems under study. As the project focused upon efficiency in a specific economic sector (agriculture), with the aim to uncover governance problems on a micro level (grassroots communities), qualitative research methods are called for. Even for the USA, Coase (1988) found it imminent to study “why” industries organise their activities in the way they do and come up with legal action that may improve such industries. As it is important to study economic organisation in such a giant economy as the USA, it is probably even more important for poor economies, such as Tanzania, to study agro-industries in order to remove bottlenecks, i.e. inefficiencies, and implementing policies as *Kilimo Kwanza*. Even though the agro-industry is still in its infancy, it is important to study what exactly is taking place when it comes to contractual relationships between factory owners (FOs) and smallholder farmers (SHFs) who are the key players in the agro-industry of Tanzania. In studying these relationships on a micro level in Tanzania it is obvious that not many data are available for a study like this, while at the same time such governance problems are not very well documented, described or understood in developing countries. Indeed, this project starts in uncharted waters.

The characteristics of qualitative research are suitable to studying the organisation of the agro-industry of Tanzania because of the following reasons:

*It enables to focus on a holistic perspective:* Qualitative research in itself is not limited to reduction of variables, for example limiting the analysis to linear relationships. The combination of the theoretical conceptual framework, discussed in chapter 3, and qualitative research techniques are appropriate methods to understand the implication of the legal and economic variables affecting farmers’ behaviour (such as incentives, property rights and contracts). With qualitative methods, one is able to explore, describe, and explain the transformation from inefficient operations to efficient governance of the agro-industry’s value chain.

*It incorporates flexibility in the design in the cycle of the research process:* Qualitative research employs descriptive methods, which are used to understand legal and economic issues without being restricted to a preconceived conceptual framework. It describes the concepts, activities, the behaviour of participants, and their perceptions in the value chain of the agro-industry. These descriptions are important in describing the governance of the agro-industry institutions in Tanzania. With qualitative research, flexibility is created. Although a theoretical framework is helpful, given the nature of the problems and the complexity of actual empirical settings, qualitative research enables the researcher to account for and incorporate new variables in the analysis. New additional information that emerges in the process of empirical research can be taken in.

*It focuses on process and outcomes:* Being process oriented research; qualitative research is, given the characteristics of this project, more advantageous than a quantitative research approach. The qualitative research approach accommodates additional information.

*It accommodates a specific form of fieldwork different from survey techniques:* The actual fieldwork, i.e. data generating methods, used to conduct this study, differs from that of quantitative research. It involves personal face-to-face interaction between the researcher and the interviewees. The researcher immersed herself into the actual situation of the participants via direct and participant observation of the value chain activities in the agro-industry. A theoretical framework then helps to focus research efforts, but not so much as to blind one to relevant variables that emerge from these interviews and observational techniques. Furthermore, it enables the researcher to probe perceptions and activities of people deeper than any survey can do. Apart from focusing efforts, the framework at the same time limits the discretion of the researcher herself in interpreting the findings.

### **Choosing the case study approach**

The case study design provides an in-depth examination of a phenomenon (Yin, 2003). As this study aimed at studying the property right assignment, the agency problems and transaction costs concerning the FOs-SHF's contractual relations, the case study is the appropriate method. In developing countries such as Tanzania where secondary data concerning property rights is scanty, if there is any such data, and not reliable (Craig & Douglas, 2000: 258), then the case study approach is necessary. In order to conduct research in the developing countries, specifically in Tanzania, one is required to



collect the primary data oneself (Craig & Douglas, 2000). Craig & Douglas argue that the databases in developing countries are unavailable and those which are available concerning marketing and other business data are not reliable. Hence, triangulation of methods with emphasis on collecting primary data becomes necessary to a study of the governance of agro-industries.

The case study design facilitates the use of multiple methods (triangulation) for data collection and analysis. With multiple methods, primary data sources and documentary sources, focus group discussions, in-depth interviews with key participants and observations of the value chain activities of the agro-industry are all usable in the process of building a case database and writing a case study. Such multiple sources improve the quality of the data and research findings (see Yin, 2003: 150-151).

Choosing the case study approach is furthermore appropriate because of the questions this research intends to answer (Silverman, 2006). The case study provided answers to the questions with respect to how, what, and why (Yin, 2003). A general intention of choosing the case study is to scrutinise the underlying reasons why the FOs and SHFs behave in a certain way when they carry out their transactions in the agro-industry. The study of economic behavioural problems does not require the application of rigorous quantitative methods and mathematical models (Ashimogo, 2005) because these models are unable to capture the specific contractual relations, governance instruments, problems and solutions the FOs and SHFs have come up with in order to operate efficiently.

## **4.5 Model building: a Farmer Behavioural Model**

Model building is the third stage in figure 11. In the first stages of the research, the theoretical framework is developed based upon property rights, agency and transaction cost theories. The starting point is found in the literature and based upon the specific research questions and the Tanzanian setting adapted to take account of institutional specifics. This literature guided the initial stages of this research and set the stage for the development of the empirical part in the research design. The Farmer Behavioural Model was developed as a further refinement of the theoretical framework in combination with the findings obtained during the stage of the data collection and case study writing. The first

empirical findings and efforts to interpret them within the light of the theoretical framework pointed to a further refinement of the theoretical framework via a conceptual model that might grasp the economic reality of farmers' situations. With that, the model has been developed in a kind of conjunct way, an interplay between theory and empirical research. As such, a qualitative testing of the model has occurred, but actual validation of the model needs to be done on a different set of cases. This is something that has to be reserved for further research. In developing the model, new additional conceptual insights arose. For instance, the model relates concepts such as credit, repayment of the loan, use of borrowed fertilisers, agronomic knowledge to a farmer's choice. Next, the model revealed that there might be an institutional development path, which might allow changes in institutions to be addressed and assessed on their consequences for efficiency. As the research process did not have a goal of developing a generalisable or testable model, in itself, the model was an exercise in developing a descriptive and an initial explanatory model that would adequately represent the characteristics of the studied agro-industry institutions. Through the process of this qualitative case study, the goal of exploration and description took precedence over generalisability, predictability, and model testing.

## **4.6 Data collection techniques**

The study employed four types of data collection techniques, which are documentary review, in-depth interviews, focus group discussions, and direct observations.

### **Documentary review**

Documents were collected, mainly from:

- The High Court office for the Laws of The United Republic of Tanzania.
- Internet sources for agro-industry Acts, obtained from the websites of the agro-industry regulatory boards (including the Tanzania Tea Board, the Sugar Board of Tanzania and the Tobacco Board of Tanzania).
- The crop boards documents (SBT, TBT, TTB).
- Contract documents and company reports of MSEL, AOTL and TATEPA, obtained from the officials who were interviewed.

During the interviews, the officials substantiated their opinions with the available documents on request.

- Newspaper articles.

### **In-depth interviews**

In-depth interviews were recorded with the help of a mobile phone handset. The interview was transcribed in the evening of the same day the interview was held. This yielded interview-reports. These basic reports included the exact spoken words of the participants. To carry out the interviews, the participants were visited in their farms, factories, and offices. Before interviewing them, the researcher sent letters to the Ward Executive Officers who could authorise these interviews. The smallholder farmers of Turiani, Kilombero, Kapugi and Ibiri wards were interviewed individually and at different times. An interview took about 30 minutes. In total, about 45 participants were interviewed, comprising of two officials per each case study (a total of 8 officials), two local government officials at the ward level (a total of 8), two cooperative society leaders (a total of 8) and 21 SHFs (an average of 5 per case).

### **Focus Group Discussion (FGD)**

In each case study, four different FGDs were held. FGDs consisted of 15 members or more. In each case FGDs were formed with 15 officials from different departments, 15 employees, 15 PCS members and 15 government officials, at different times and places. Members were selected using a snowballing sampling technique.

The first FGD was carried out with officials, the second one with employees, the third with the SHFs in the grassroots communities and the fourth with government officials as Ward Executive Officer (WEO) and Village Executive Officers of the respective area. The FGD with the officials was purposefully arranged and used in carrying out snowballing of the participants in the other FGDs. Snowballing, or referral sampling, is a technique used by among others marketing researchers (Craig & Douglas, 2000). Using snowballing in this study meant to start with a purposively arranged meeting and asking participants to identify other members of the target population. For example, after the FGD with the officials conducted at MSEL, the issue of holdout emerged as the officials claimed that cutters boycotted cutting sugarcane. To find evidence and a different perspective, the next FGD was with cutters. In this way, the FGD was employed in all

four cases, first using purposeful sampling then followed by a snowball sampling strategy.

### **Direct observation**

Observing the value chain and the artefacts of the products of the four factories was another source of data to provide evidence in relation to efficiency. Yin (2003: 92) proposes a factory visit as one part of a research methodology. If a case study is about new technology, invention or innovation, observation of such technology at work is important. Taking photos in the field is also recommended (Yin, 2003).

The direct observation of the actual processing procedures at the factories and the farming activities of SHFs were important in understanding the value chain, and assessing specific idiosyncrasies, apart from generating data, which were used to compare the four cases. For instance, a factory visit at MSEL was instrumental in understanding the actual processing of the sugarcane and understanding of a measurement problem.

With the contracts obtained from the officials in the interview, direct observation through visiting the SHFs and the factories made it possible to find out whether or not the activities were conducted according to such contracts. For example, at MSEL, although the contract requires MSEL to buy sugarcane only from MOA members, it was observed that MSEL buys sugarcane from independent SHFs.

The four research techniques were used in order to maximise the range of available information, improve the trustworthiness of the data, and provide a basis for triangulation between data sources (Ghauri, Gronhaug, & Kristianslund, 1995)). Each data source has its advantage and disadvantages. By combining them, inadequacies of one source or technique can be supplemented by the advantages of other sources or techniques. The combination of the four data sources is a mechanism of gaining different perspectives from participants, official records, personal interpretation, and direct experience with the agro-industry institutions.

### **Data management**

The data collection activities resulted into a rather bulky amount of qualitative data. With this, two challenges arose: data management and data analysis.

Qualitative research, especially when using different methods of data collecting, results in large amounts of descriptive and interpretative data. To handle these data, it helps to have a theoretical framework, or conceptual model. In this study, that particular framework consists of institutional economic theories and, in the process of refining that framework with findings in the pilot case study, the Famers' Behavioural Model. This framework not only assisted in organising and orienting the study and the data collection, it assisted in the development and application of coding the data as well (Ghauri et al., 1995; Nachmias & Nachmias, 1996). For instance, in the pilot phase of the empirical research, interview data was essential for understanding, capturing and relating variables from the theoretical framework to observable phenomena and the interpretations of phenomena given by the interviewees. In subsequent stages of analysis, these interview reports were used as input for data reduction via the theoretical framework.

Qualitative research needs to tackle the researcher's influence upon the gathering of the data and the interpretation of that data. In order to help mitigate this problem, the theoretical framework limits a researcher's influence upon the data collection and interpretation. Furthermore, by using different data collection methods, the data could be cross-checked for consistency. Interviews were recorded and transcribed into written reports. This limits or eliminates a researcher's influence upon the findings. Further data reduction and data analysis can be checked, if needed, against the actual interview results. The documentary material was collected and a database consisting of seven separate folders was created. These folders contained the Acts (first folder), the Laws of Tanzania (second folder), the contract documents and reports of MSEL (third folder), KSCL (fourth folder), AOTL (fifth folder) and TATEPA (sixth folder). Other documents, including soft copies of the Laws of Tanzania obtained from the High Court's office, some company reports sent by the company officials and other documents obtained in soft copies via e-mails were contained in the seventh folder. This folder also contained the interview transcriptions. Copies of relevant documents in those folders were made in order to use in Groningen, the Netherlands.

## **4.7 Data analysis**

"Data analysis consists of examining, categorising tabulating, testing, or otherwise recombining both qualitative and quantitative evidences to address the initial prepositions of a study" (Yin, 2003: 109). This

form of data analysis starts more or less directly at the moment when qualitative and quantitative data is collected. Organising the data in tables helps making sense and helps organising the material. The theoretical framework directs the construction of such tables. Examples of such tables can be found in each of the case chapters and in the cross case analysis in chapter 9. These strategies were used to square the theoretical arguments with the empirical findings in order to answer the four research questions (Yin, 2003).

### **Exploratory analysis**

According to Yin (2003:5), if the research question focuses mainly on “what” questions, an exploratory research design is called for. With the first question, “*What are the contractual relationships between factory owners (FOs) and smallholder farmers (SHFs)?*” exploratory analysis is warranted. To answer this question, the exploration of the crops’ Acts in relation to the contract documents was necessary. The corroboration of the documentary data and participants views on the contract answered the “what” exploratory questions. The analysis (chapter 9), explores the types of contractual relationships.

The second research question is also exploratory in nature: “*What governance problems are encountered that affect the FOs-SHFs contractual relationships?*” Here in-depth interviews and focus group discussions yielded the material to understand the problems that participants experienced in that relationship.

### **Descriptive and explanatory analysis**

The theoretical framework generates a general descriptive model of farmer behaviour. The *general* agency theoretical notion that with an incentive contract one expects an increase in the variable specified in that contract, can be tailored to the situation. For example, if a factory provides the incentive that it will pay higher prices for sugarcane containing higher sucrose levels, it is to be expected that farmers will strive to increase sucrose levels in their sugarcane. One obvious strategy is then to look whether this relationship holds in the actual case. The research becomes explanatory if one starts to try to answer the question why this relationship holds, or if it does not, why it does not hold. In this direction, this part of the research triggered the further development of the framework into a model of farmer behaviour. The conceptual framework did not discern categories of farmer behaviour, but the subsequently developed model, FBM, does. As such, that

model is descriptive in nature; it focuses on the alternatives farmers are confronted with, given the contractual characteristics of the relationship. Furthermore, it specifies the variables that are instrumental to a farmer's choice. That part of the model can be used in an explanatory manner. It posits a line of reasoning, i.e. a model, which explains behaviour. In other words, it provides a theoretical answer to the question why farmers behave in a specific way. This is actually the third research question "*Why do these governance problems arise?*" It should be noted that the general theoretical framework and the empirical findings have together driven this explanatory part of the research. It is the analysis of the data together with the application of the framework that yielded this model. The model does provide an answer to the question why specific behaviour is found in the four cases, but as it has been built upon this data itself, the model needs further validation on other external data in order to ascertain its explanatory power.

Based upon the exploratory, descriptive, and explanatory analyses, the fourth research question "*What lessons can be drawn to improve the efficiency of the agro-industry institutions of Tanzania?*" can be answered. As chapter 1 already contains a discussion on the limitations of the study, it should be noted that further research could point out whether the policy recommendations can be taken outside the domain of the cases studied in this thesis.

## **4.8 Limitations of the qualitative case study approach**

In the 1960s, researchers became concerned about the *limitations* of quantitative methods. Hence there was a renewed interest in the case study approach using qualitative methods through the development of the concept of a "grounded theory" (Glaser & Strauss, 1967). Dependency on a single case made it impossible for a case study to provide generalisations. However, Yin argues that the case study approach is not myopic and that it is possible to generalise to theory (analytical generalisation; Yin, 2003: 10). In this way, consideration of a single case can be acceptable. Furthermore, it is the rigor with which a case is constructed that also matters. Yin details the procedures that result in the required methodological rigor.

As the case research methodology contains a range of solutions, devices and strategies that can be used to tackle research problems

(Silverman, 2006), the case study approach seems especially appropriate to explore what, how and why SHFs and FOs carry out transactions in the way they do. Concepts such as incentives, opportunism, asymmetric information, bounded rationality and behavioural outcomes are neither easy to be observed nor to be put into numerical quantifications. It is the case study methodology with which a researcher is able to study these phenomena.

Obviously, the *qualitative* case research methodology has its limits. These are logical consequences of the methodology, well known and discussed extensively elsewhere (see Yin, 2003; Silverman, 2006). This is not the place to reiterate them but to acknowledge such limitations. The main one being that a generalisation to populations is not possible. So no statistical inferences can be made nor can any further statistical analysis, especially the testing of relationships between variables, be done. Thus, whether the Farmer Behavioural Model is a correct representation of farmers' behaviour in Tanzania (or for that matter anywhere else in developing countries) cannot and will not be claimed. Nevertheless, the model has descriptive power here and might have it in other settings too, but that is something to find out in the future or for other researchers. Furthermore, the use of the case methodology coupled with the particular choice of cases limits this study's domain. These limits have already been acknowledged above and are an inescapable consequence of the nature of the study and the available data. In the end, case study research methodology has its own place within the whole population of methodologies, it has its own strength and weaknesses, and, with that in mind, contributes to our understanding. It is hoped that the discussion in this chapter has made it clear that the chosen methodology, given the nature of this project, is the only and correct one and that it, within the methodological boundaries, makes its own contribution to our understanding.

## 4.9 Summary

This chapter details the methodology that is chosen for this research project: qualitative case study methodology. The chapter discusses the approach taken and gives specific details on its design. Given the nature of the research subject – the economic organisation of the Tanzanian agro-industry –, the research questions – private governance problems in the value chains of a very limited number of specific agronomic industries –, and the availability and reliability of data, the case study research methodology is the appropriate one to choose. In this chapter the role of theory, measurement of variables, data



collection, data management, and data analysis are discussed in order to account for the internal and external validity of the study. The chapter points out the limitations of the approach and the limits of the study itself. With the chosen methodology, no generalisation to the populations of (Tanzanian) farmers is possible. In addition, the specific setting of the cases, limits the findings to these cases. Nevertheless, the cases are not that specific (with regard to either agricultural produce, the Tanzanian setting or the fact that it involves private enterprise) that these findings cannot be of any use in other settings. The results presented in the remaining chapters will inform other researchers or policymakers of relevant variables or potential relationships, create awareness for specific factors that might generate specific responses, and provide ideas concerning the efficiency of governance instruments. In that sense, the results of this study surely extend beyond the boundaries of its cover.